

The Indiana Office of Energy & Defense Development

Public Facility Improvement Grant Program (PFI)

GUIDELINES

GRANT ROUND:

June 23, 2006-October 16, 2006

Grant Contact: Indiana Office of Energy & Defense Development
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Introduction.....

The Indiana Office of Energy & Defense Development (OED) is pleased to offer **\$50,000** through the Public Facility Improvement Grant Program (PFI). This money will be offered in grants of up to \$10,000. **OED will begin accepting applications from June 23, 2006 and will close the grant round on October 16, 2006.** This program is designed to enable school corporations, political subdivisions (i.e. local governments), public libraries, and essential community facilities to implement energy efficiency improvements in their existing facilities and design energy efficiency measures into their new facilities.

If an insufficient number of high quality applications are received, OED may make total awards less than \$50,000 and execute another grant funding round later in 2006 or early 2007.

Please read these guidelines carefully before requesting funds from the PFI. These guidelines describe eligibility, funding limitations, the grant approval process, specific information needed in the grant applications and the criteria used to evaluate applications.

Application Timeline

Please pay close attention to the dates set forth below. It is important to note that if awarded, the project must be finished and all grant money must be drawn down by **May 31, 2007**. Additionally, each grantee will have to commit to collect and report to OED through quarterly reports data on the project until June 30, 2008.

June 23, 2006	-Grant round opens
October 16, 2006	-Grant round closes
October 31, 2006	-OED will announce awards
January 15, 2007	-First quarterly report is due
May 31, 2007	-Project and draw down of grant money must be complete
June 30, 2008	-Grant agreement expires
July 31, 2008	-Final report is due

Eligibility

School corporations, political subdivisions, public libraries (as defined in 10CFR420.2) and essential community facilities that operate in the state of Indiana are eligible to apply for grants. The following types of buildings are **ineligible**:

- a. Vacant, unused or condemned buildings
- b. Buildings that are not heated or cooled
- c. School stadiums

In the case of a multiple-facility project, the grant applies to the entire project (not per facility). For existing facilities, applicants must certify that there are no plans or intentions to undertake demolition, major rehabilitation (other than energy-conservation measures resulting from the technical audit) or conversion to an ineligible facility within the grant period. When funds are requested for building improvements in leased space, the building owner must submit the application, and all leaseholders must submit a Lessee Application Attachment. The Lessee must also certify that they plan to rent the building **beyond the grant period**. Grant recipients are also required to complete quarterly reports and a final report describing progress and completion of contracted goals.

Eligible Expenses

Grants may fund up to fifty percent (50%) of the actual cost of the energy-efficiency improvements* (purchase and installation) for new and existing facilities.

Examples of qualifying improvements include but are not limited to:

- a. Insulation projects
- b. Building energy management systems
- c. HVAC installation and replacement
- d. Lighting retrofits
- e. Window and door projects
- f. Energy-efficient electrical motors
- g. Alternative energy systems (i.e. ground-source geothermal heat pumps)

** “Energy efficiency improvement” refers to the installation or modification of an installation that is primarily intended to reduce or maintain (in the case of energy management systems) energy consumption and reduce energy costs or allow the use of an alternative energy source in a building.*

Ineligible Expenses

Ineligible costs include but are not limited to:

- a. Personal services
- b. Travel
- c. Land and site improvements
- d. Licenses or permits
- e. Legal costs
- f. Office equipment
- g. Indirect and overhead expenses
- h. Purchase and installation of used equipment
- i. Power factor correction

Only costs incurred after approval notification are eligible for funding. Projects can not begin until award notification on October 31, 2006. Costs incurred after approval and prior to execution of the grant agreement (contract) are made at the applicant's risk. Funding is ensured only after final execution of the grant agreement.

Financial Information

Amount of Funds

Grants are available from one thousand dollars (\$1,000) up to ten thousand dollars (\$10,000.00).

Terms

Grants are available for eligible recipients. Matching funds of fifty percent (50%) are required. Funds must be completely drawn down by May 31, 2007. Funds cannot be drawn down until there is an executed grant agreement (contract). Grants are competitively awarded. All grants from OED are reimbursement only. There is no advance payment with this grant program.

The project's energy savings must have an energy payback of less than ten (10) years. Energy payback is calculated by dividing the total project cost by the net annual energy cost savings.

Total Project Cost / Net Annual Energy Savings=Energy Payback (years)

Funds may be used in conjunction with other financing programs; however, the Grant funds may only be used for the energy-efficiency improvements covered in the contract. Recipients must disclose all federal awards received per year. Any grantee expending Five Hundred Thousand Dollars (\$500,000) or more in federal awards per year must have an audit made for that year by an independent auditor. Non-profit organizations, institutions of higher education, and local governments should consult the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" for guidance.

Financial Profile

Applicants may be required to submit documentation that they can meet their financial obligation for the project for which funding is requested.

Energy Efficiency Improvement Grant Evaluation Criteria

The applications will be evaluated on four equally weighted criteria:

Energy Savings

Address the project's energy savings and other issues such as the level of efficiency of the equipment/material used and avoidance of conventional fuel consumption.

Calculations supporting a project's energy efficiency, energy cost savings and other benefits should be provided in the application. For existing facilities, successful applicants should submit a summary of prior year utility bills (Electric, natural gas, etc...). Applicants are also encouraged to attach manufacturers' literature or other material as evidence of equipment energy efficiency.

Practicality and Technical Feasibility

Discuss the technical feasibility and soundness of the project. For new facilities, discuss the benefits of the energy efficiency improvements over those of a typical installation. For existing facilities, what energy efficiency measures have already been taken at the facility? What is the age and condition of the existing equipment?

Need for Assistance

The applicant's need for the assistance will be evaluated in light of such factors as the size of the project in relation to income and assets and the availability of financing from other sources.

Application Completeness

Did the applicant submit the Application Proposal Request? Did the applicant completely fill out the application? Did the applicant attach all requested information such as utility bills, calculations, manufacturer materials etc...?

Grant Responsibilities.....

Reporting Requirements

A report is due at the end of each quarter and a final report at the end of the funding period. The report will detail activities/results such as timelines, budget information including grant monies received, energy and environmental benefits, and a narrative on the project's progress. These results/activities are provided to the State by the grantee in the form of Quarterly Reports which are due in January, April, July, and October of each year during the Grant Agreement. The reports will be used to track progress made by the grantee as well as used to report to the U.S. Department of Energy.

A final progress report will be due July 31, 2008. This final report will summarize all aspects of the project.

Maintain Communication

The grantee shall maintain communication with OED for the duration of the Grant Agreement.

Site Visits

Grantee shall allow OED to conduct project site visits when given (5) business days notice.

Grant Approval

OED administers the PFI Program and will review all grant applications. If the applicant is approved by the review team, a formal contract will be drawn in order to establish the terms of the grant and other conditions needed to manage the grant. **Successful applicants will be notified of their award by October 31, 2006.**

Application Process

Public Facility Improvement Grants

Interested applicants must first fill out the Application Proposal Request on OED's website. This can be found at www.energy.in.gov/applications. After submitting this document, the interested applicant may submit a completed application. Applications can also be found on OED's website.

Confidential Information.....

To the extent feasible and permissible by law, the Indiana Office of Energy & Defense Development (OED) will honor an applicant's request that confidential information submitted to OED will remain confidential. OED will treat information as confidential only if: (i) the information is, in fact, protected confidential information such as trade secrets or privileged or confidential commercial or financial information; (ii) the information is specifically marked or identified as confidential by the applicant; (iii) the information is segregated and placed in a separate appendix to the application; and (iv) no disclosure of the information is required by law or judicial order. If the application results in award of a grant, the honoring of confidentiality of identified data shall not limit the right of OED to disclose the details and results of the grant to the general public.

For More Information

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The OED may request additional information to help evaluate an application.